



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a Resolution Authorizing the City Manager to Execute the Revised Agreement Between the City of Lodi and the County of San Joaquin, Acting on Behalf of the Sunnyside Water and Street Lighting Maintenance District, for Water Service Outside the City Limits

MEETING DATE: November 15, 2000

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to execute the revised agreement between the City and the County of San Joaquin, acting on behalf of the Sunnyside Water and Street Lighting Maintenance District, for water service outside the City limits.

BACKGROUND INFORMATION: On October 20, 1999, the Council authorized execution of an agreement between the City and the County to provide water service to the Sunnyside subdivision on the east side of Lower Sacramento Road north of Harney Lane. The draft agreement was included in the Council report. However, due to legal review by outside County counsel and the United States Department of Agriculture Rural Utilities Services, the agreement was modified extensively.

The terms of the agreement as it pertains to the City and the provision of water service are essentially the same as before (see the attached Council communication from the previous approval) and we are recommending that the agreement be approved. A copy of the revised agreement is also attached.

FUNDING: To be provided by San Joaquin County.

Richard C. Prima, Jr.
Public Works Director

RCP/lm

Attachments

cc: Randy Hays, City Attorney
Fran Forkas, Water/Wastewater Superintendent
Frank Beeler, Assistant Water/Wastewater Superintendent
Sharon Blaufus, Management Analyst

APPROVED: _____

H. Dixon Flynn -- City Manager



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Authorize City Manager to Execute an Agreement Between the City of Lodi and the Sunnyside Water and Street Lighting Maintenance District for a Water Line Interconnect Project

MEETING DATE: October 20, 1999

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution authorizing the City Manager to execute an agreement (copy attached) between the City of Lodi and the Sunnyside Water and Street Lighting Maintenance District for a water line interconnect project.

BACKGROUND INFORMATION: In May 1998, the City Council approved a request from San Joaquin County to provide water to Sunnyside Estates Subdivision, a 21-lot subdivision located just north of Harney Lane on the east side of Lower Sacramento Road. This subdivision is outside the city limits.

The County has now obtained a Federal Grant to cover the majority of the cost of installing a water line to connect the City's system to the system in the subdivision. See attached map marked Exhibit A. The plans and specifications for this connecting line are almost completed and the County will be going to bid shortly. After the water main is completed, the County will dedicate it to the City. The City will maintain the line up to the connection to the County's existing system within the subdivision. The County will retain responsibility for maintaining the water system within the subdivision.

The County will pay the appropriate Development Impact Mitigation Fee (Water) in effect on the day of approval of this agreement upon acceptance of the project for maintenance by the City. County will receive credit for the cost difference between an eight-inch and ten-inch line. The County will be billed "outside of City Limits" rates for the metered water service.

The County expects to take this agreement to the Board of Supervisors in November.

FUNDING: To be provided by San Joaquin County.

Richard C. Prima, Jr.
Public Works Director

Prepared by Sharon Blaufus, Administrative Assistant
RCP/SB/lm

Attachments

cc: City Attorney
Water/Wastewater Superintendent
Assistant Water/Wastewater Superintendent

APPROVED: _____

H. Dixon Flynn -- City Manager

A99-____

AGREEMENT BETWEEN THE CITY OF LODI AND
THE SUNNYSIDE WATER AND STREET LIGHTING MAINTENANCE DISTRICT
FOR A WATER LINE INTERCONNECT PROJECT

THIS AGREEMENT is made and entered this _____ by and between the CITY OF LODI, a municipal corporation of the State of California, hereinafter referred to as "CITY", and the SUNNYSIDE WATER AND STREET LIGHTING MAINTENANCE DISTRICT (District), a San Joaquin County Maintenance District governed by the COUNTY OF SAN JOAQUIN, a political subdivision of the State of California, hereinafter referred to as "COUNTY".

WITNESSETH

WHEREAS, COUNTY desires to construct a water line to connect the District, which includes the Sunnyside Estates Subdivision water system, to the CITY water system for the purpose of supplying domestic water service to the District; and,

WHEREAS, COUNTY has requested connection to the CITY for water service to the District and, by action of the City Council on May 20, 1998, CITY has approved water service to the District;

WHEREAS, COUNTY has accepted a funding offer for the project from the United States Department of Agriculture Rural Utilities Services for the water line interconnect project, and

WHEREAS, COUNTY intends to maintain one existing well as backup.

NOW, THEREFORE, it is mutually agreed by and between CITY and COUNTY as follows:

1. Lead Agency – COUNTY shall be the lead agency responsible for the water line interconnect project.

2. Project Funding – COUNTY shall be responsible for 100 percent of the project costs, including engineering, construction and any actual cost for plan review, checking and field inspection costs that CITY incurs.

3. Water Supply – CITY agrees to supply District , as District is presently described in San Joaquin County Board of Supervisor's Resolution R-67-779.

4. Water Line Size and Alignment – COUNTY shall install a ten-inch diameter water line in Century Boulevard and Lower Sacramento Road and connect to the CITY's water main in Century Boulevard.

5. Design and Construction – Design and construction of the 10-inch water main shall conform to CITY standards and shall be subject to CITY approval. CITY shall provide construction inspection at San Joaquin County expense.

6. Line Ownership – COUNTY shall dedicate the built water line to the point of connection to CITY for maintenance.

7. Development Impact Mitigation Fee (Water) – COUNTY shall pay, upon acceptance of the project for maintenance by CITY, the appropriate per acre Development Impact Mitigation Fee (Water) in effect on the day of approval of this agreement.

8. Oversize Credit – COUNTY shall receive credit for the cost difference between an eight-inch and ten-inch line. Credit shall be determined by CITY and agreed to by COUNTY. Credit shall be directly applied toward CITY Development Impact Mitigation Fee (Water) per acre charge.

9. Service Charge – CITY shall bill COUNTY monthly for metered water service at "outside of City Limits" rates. Billings shall be in arrears of service and shall be paid by COUNTY in approximately 30 days following receipt of billing by CITY.

10. Quality of Water – CITY shall be responsible for meeting applicable water quality standards within the City main up to the point of connection to District's water

system. Since COUNTY is maintaining an existing well within the system, COUNTY shall install and maintain a proper RP-type backflow device.

11. Water Conservation – COUNTY shall be responsible for water conservation program, including enforcement, within the District. CITY agrees that the District's water conservation requirements are not required to be more stringent than those imposed on other CITY residents.

IN WITNESS WHEREOF, this AGREEMENT has been executed by the respective parties hereto through their respective authorized officers in Stockton, California, the day and year first above written.

(SIGNATURES ON ATTACHED PAGE 4)

"COUNTY"

ATTEST: LOIS M. SAHYOUN
Clerk of the Board of Supervisors
of the County of San Joaquin
State of California

COUNTY OF SAN JOAQUIN
a political subdivision of
the State of California

By _____
Deputy Clerk

By _____
ROBERT J. CABRAL
Chairman of the
Board of Supervisors

APPROVED AS TO FORM:
TERRENCE R. DERMODY
County Counsel

RECOMMENDED FOR APPROVAL:

By _____
LAWRENCE P. MEYERS
Deputy County Counsel

By _____
HENRY M. HIRATA
Director of Public Works

"CITY"

APPROVED AS TO FORM:

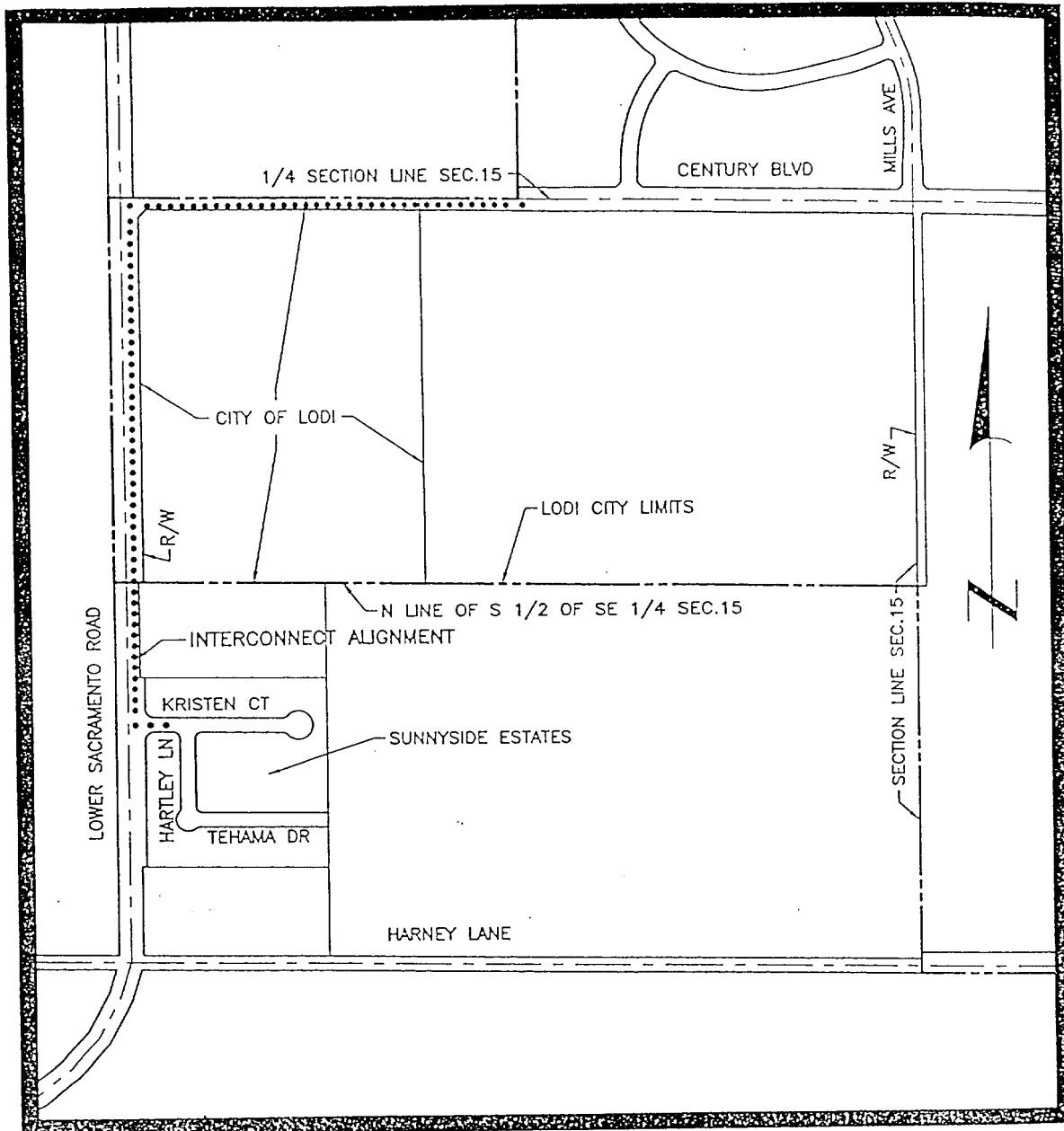
ATTEST:

By _____
RANDALL A. HAYS
City Attorney

By _____
ALICE M. REIMCHE
City Clerk

CITY OF LODI
A Municipal Corporation

By _____
H. DIXON FLYNN
City Manager



SUNNYSIDE INTERCONNECT PROJECT SOUTHEAST CORNER OF SECTION 15, T3N, R6E

SCALE: 1" = 500'
 DATE: January 1999
 p:\water\sunnysid\sunnyside.dwg

HENRY M. HIRATA (R.C.E. 21259)
 DIRECTOR OF PUBLIC WORKS
 COUNTY OF SAN JOAQUIN

EXHIBIT A

A-00- 918

**AGREEMENT BETWEEN THE CITY OF LODI AND
THE COUNTY OF SAN JOAQUIN, ACTING ON BEHALF OF THE SUNNYSIDE
WATER AND STREET LIGHTING MAINTENANCE DISTRICT,
FOR A WATER LINE INTERCONNECT PROJECT**

THIS AGREEMENT is made and entered this 17th day of October, 2000, by and between the CITY OF LODI, a municipal corporation of the State of California (the "CITY"), and the COUNTY OF SAN JOAQUIN, a political subdivision of the State of California (the "COUNTY"), acting on behalf of the SUNNYSIDE WATER AND STREET LIGHTING MAINTENANCE DISTRICT, a San Joaquin County Maintenance District governed by the COUNTY (the "DISTRICT").

WITNESSETH

WHEREAS, the COUNTY desires to construct a water line to connect the DISTRICT water system, which includes the Sunnyside Estates Subdivision water system, to the CITY water system for the purpose of supplying domestic water service to inhabitants of the DISTRICT; and

WHEREAS, by action of the City Council on May 20, 1998, the CITY has approved the COUNTY's request, subject to the COUNTY installing the water line and appurtenant facilities (the "Project") to provide the required interconnection between the existing system of the CITY and the existing system of the DISTRICT and, upon completion, transferring ownership of the Project to the CITY for maintenance; and

WHEREAS, the COUNTY intends to maintain one existing well as backup supply source for the Sunnyside Estates Subdivision; and

WHEREAS, the COUNTY has accepted a funding offer (the “Offer”) for the Project from the United States Department of Agriculture Rural Utilities Services (“USDA-RUS”); and

WHEREAS, the Offer, consisting of both a 40-year loan and a grant, is made subject to certain conditions, among which is the condition that, in the event that the Project is sold during the period that any part of the loan portion of the Offer remains outstanding and unpaid, that portion of the sale proceeds attributable to the Project must be paid back to USDA-RUS; and

WHEREAS, a further condition of the Offer is that any local agency which will own any portion of the Project (initially, the CITY and the COUNTY) will enter into a form of agreement, commonly referred to by USDA-RUS as “Form RD 400-4, Assurance Agreement” (an “Assurance Agreement”) in the form attached hereto as Exhibit A and by this reference incorporated herein;

NOW, THEREFORE, it is mutually agreed by and between the CITY and the COUNTY as follows:

1. Lead Agency – The COUNTY shall be the lead agency responsible for the Project.
2. Project Funding – The COUNTY shall be responsible for 100 percent of the cost and expense of the Project, including but not limited to engineering, construction and any actual cost for plan review, checking and field inspection costs that the CITY incurs.
3. Water Supply – The CITY agrees to provide domestic water service to the DISTRICT, as the DISTRICT is presently described in San Joaquin County Board of Supervisor’s Resolution R-67-779.

4. Water Line Size and Alignment – The COUNTY shall install a ten-inch diameter water line in Century Boulevard and Lower Sacramento Road and connect to the CITY’s water main in Century Boulevard.

5. Design and Construction – Design and construction of the 10-inch water main shall conform to CITY standards and shall be subject to CITY approval. The CITY shall provide construction inspection at the expense of the COUNTY.

6. Line Ownership – Upon completion and a determination by the CITY that the Project is ready for acceptance, the COUNTY shall dedicate to the CITY for maintenance that portion of the Project up to and including the point of connection.

7. Development Impact Mitigation Fee (Water) – Subject to the credit provided by paragraph 8 of this agreement, the COUNTY shall pay, upon application by the COUNTY for an encroachment permit from the CITY for that portion of the Project to be constructed within street rights-of-way of the CITY, the appropriate per acre Development Impact Mitigation Fee (Water) (the “CITY Fee”) in effect on the day of approval of this agreement.

8. Oversize Credit – The COUNTY shall receive credit against the CITY Fee payable pursuant to the foregoing paragraph 7 for the cost difference between an eight-inch and ten-inch line. The amount of such credit shall be determined by the CITY and agreed to by the COUNTY. The credit shall be directly applied toward the CITY Fee, and the COUNTY shall be obligated to pay the CITY only the reduced amount resulting from application of the credit against the amount of the CITY Fee otherwise payable.

9. Service Charge – The CITY shall bill the COUNTY monthly for metered water service at “outside of City Limits” rates. Billing shall be in arrears of service and shall be paid by the COUNTY in approximately 30 days following receipt of billing by the CITY.

10. Quality of Water – The CITY shall be responsible for meeting applicable water quality standards within the CITY main up to the point of connection to the DISTRICT’s water system. Since the COUNTY is maintaining an existing well within the DISTRICT’s water system, the COUNTY shall install and maintain a proper RP-type backflow device.

11. Water Conservation – The COUNTY shall be responsible for establishing and enforcing a water conservation program within the DISTRICT. The CITY agrees that the DISTRICT’s water conservation program provisions are not required to be more stringent than those imposed on CITY residents.

12. Sale of Project – In compliance with the applicable condition of the Offer, the CITY agrees that, in the event that the CITY sells the Project to a third party at any time during the term of this agreement, that portion of the proceeds of sale attributable to the Project shall be paid to USDA-RUS or its successor agency.

13. Third Party Beneficiary - For purposes of assuring enforceability of the provisions of the foregoing paragraph 12, the parties agree as follows:

- a. USDA-RUS is deemed a third party beneficiary of this agreement.
- b. This agreement shall not be terminated but shall remain in force and effect so long as any portion of the 40-year loan made to the COUNTY by USDA-RUS remains outstanding and unpaid.

14. Execution of Assurance Agreement – Both the CITY and the COUNTY will execute and provide to USDA-RUS an Assurance Agreement in the form attached hereto as Exhibit A, with a separate Assurance Agreement to be executed and provided by each.

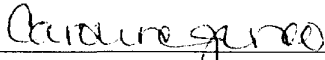
IN WITNESS WHEREOF, THIS AGREEMENT has been executed by the respective parties hereto through their respective authorized officers the day and year first above written.

(SIGNATURES ON ATTACHED PAGE 6)

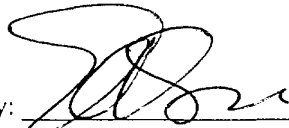
"COUNTY"

ATTEST: LOIS M. SAHYOUN
Clerk of the Board of Supervisors
of the County of San Joaquin
State of California

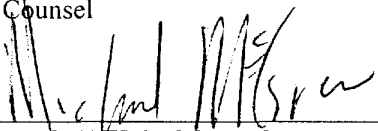
COUNTY OF SAN JOAQUIN
a political subdivision of
the State of California

By: 
Deputy Clerk

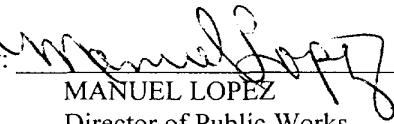


By: 
EDWARD A. SIMAS
Chairman of the
Board of Supervisors

APPROVED AS TO FORM:
TERRENCE R. DERMODY
County Counsel

By: 
MICHAEL MCGREW
Assistant County Counsel

RECOMMENDED FOR APPROVAL:

By: 
MANUEL LOPEZ
Director of Public Works

"CITY"

APPROVED AS TO FORM:

ATTEST:

By: _____
RANDALL A. HAYS
City Attorney

By: _____
SUSAN BLACKSTON
City Clerk

CITY OF LODI
A Municipal Corporation

By: _____
H. DIXON FLYNN
City Manager

RESOLUTION NO. 2000-207

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE A REVISED AGREEMENT
BETWEEN THE CITY OF LODI AND THE COUNTY OF SAN
JOAQUIN, ACTING ON BEHALF OF THE SUNNYSIDE WATER
AND STREET LIGHTING MAINTENANCE DISTRICT FOR
WATER SERVICE OUTSIDE THE CITY LIMITS

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WHEREAS, on October 20, 1999, the City Council authorized execution of an agreement between the City of Lodi and the County of San Joaquin to provide water service to the Sunnyside subdivision on the east side of Lower Sacramento Road north of Harney Lane; and

WHEREAS, due to legal review by outside County counsel and the United States Department of Agriculture Rural Utilities Services, the agreement was modified extensively.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council hereby authorizes the City Manager to execute an agreement between the City of Lodi and the County of San Joaquin, acting on behalf of the Sunnyside Water and Street Lighting Maintenance District for water service outside the City limits.

Dated: November 15, 2000

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I hereby certify that Resolution No. 2000-207 was passed and adopted by the Lodi City Council in a regular meeting held November 15, 2000 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Land, Nakanishi, Pennino and Mayor Mann

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk